

Message Text

CONFIDENTIAL

PAGE 01 RANGOO 03320 01 OF 02 200545Z

12

ACTION EA-09

INFO OCT-01 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 SAM-01 SAJ-01 EB-07 FEA-01 AGR-05

SNM-02 AID-05 /089 W

----- 086760

R 191110Z NOV 75

FM AMEMBASSY RANGOON

TO SECSTATE WASHDC 608

INFO CINCPAC HONOLULU HI

AMCONSUL HONG KONG

AMEMBASSY KUALA LUMPUR

AMEMBASSY BANGKOK BY POUCH

AMCONSUL CHIANG MAI BY POUCH

AMEMBASSY KATHMANDU BY POUCH

AMCONSUL MANDALAY BY POUCH

AMEMBASSY NEW DELHI BY POUCH

USLO PEKING BY POUCH

AMCONSUL UDORN BY POUCH

C O N F I D E N T I A L SECTION 1 OF 2 RANGOON 3320

E.O. 11652: GDS

TAGS: PINT, PFOR, BM

SUBJECT: JOINT WEEKA #44

1. NE WIN'S VISIT TO CHINA (CONF)

PRESIDENT NE WIN AND PARTY RETURNED TO RANGOON NOVEMBER 15 FOLLOWING FOUR DAY VISIT TO THE PRC WHICH INCLUDED TALKS WITH VICE PREMIER TENG HSIAO-PING, CALLS ON CHAIRMAN MAO AND CAMBODIA'S PRINCE SIHANOUK, AND USUAL ROUND OF RECIPROCAL BANQUETS. JOINT COMMUNIQUE ISSUED AT END OF VISIT STRESSED TRADITIONAL BURMESE/ CHINESE FRIENDSHIP, ENDORSED PRINCIPAL OF PEACEFUL CO-EXISTANCE, TWICE CONDEMNED "HEGEMONISM", AND CALLED FOR INCREASED TRADE BETWEEN TWO COUNTRIES. DESPITE APPARENTLY WARM AND FRIENDLY AT-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 RANGOO 03320 01 OF 02 200545Z

MOSPHERE THE BURMESE ENCOUNTERED IN CHINA, THEY MAY HAVE NOT

TOTALLY BEEN SUCCESSFUL IN REACHING THEIR OBJECTIVES, I.E., REDUCTION OF PRC SUPPORT FOR BCP INSURGENCY AND, POSSIBLY, INCREASED ECONOMIC ASSISTANCE. BURMESE MAY HAVE HAD TO SETTLE FOR CHINESE ASSURANCES THAT PRC WOULD NOT SIGNIFICANTLY INCREASE ITS SUPPORT FOR BCP IN THE EVENT OF A MAJOR BURMA ARMY OFFENSIVE. ON THE AID SIDE, COMMUNIQUE ONLY TOOK NOTE OF 1961 PRC/GUB AID AGREEMENT AND EXPRESSED HOPE THAT COOPERATION WOULD CONTINUE. ALTHOUGH ONE RUMOR HOLDS THAT PRC MAY HAVE AGREED TO WRITE OFF REPAYMENT OF LOAN TO BURMESE (WHICH WOULD LOWER BURMA'S DEBT SERVICE RATIO), IT IS POSSIBLE THAT DISCUSSIONS CENTERED ON USE OF THE REMAINING BALANCE OF THE ORIGINAL LOAN RATHER THAN ON A NEW ACCORD. PREDICTABLY, BURMESE PRESS IS BILLING VISIT A GREAT SUCCESS FOR NE WIN.

2. PRESS COVERAGE OF CHINA VISIT (LOU)

AS ANTICIPATED, PRESIDENT U NE WIN'S CHINA TRIP DOMINATED SPACE IN ALL BURMESE NEWSPAPERS WITH OFFICIAL ACCOUNTS, TEXTS OF SPEECHES AND COMMUNIQUE. SIGNIFICANTLY, ALL NEWSPAPERS, AT THE DIRECTION OF THE NEWS AND PERIODICALS CORPORATION, CARRIED ON THEIR FRONT PAGES AS AFP ARTICLE FROM PEKING ON ISSUES ACTIVELY DISCUSSED BY LEADERS OF THE TWO COUNTRIES. ALTHOUGH AFP ADMITTED THAT DETAILS WERE NOT FORTHCOMING, IT ASSERTED THAT DISCUSSIONS CENTERED ON QUESTIONS OF INTERNATIONAL RELATIONS, CHINESE-BACKED INSURGENCY IN BURMA AND ECONOMIC AID TO BURMA.

COMMENT: IT IS NO COINCIDENCE THAT GOVERNMENT CONTROLLED NEWSPAPERS CARRIED THE IDENTICAL AFP ARTICLE. IT WAS USED TO POINT OUT THAT CERTAIN ISSUES, ESPECIALLY INSURGENCY, REMAIN IRKSOME OUTSTANDING PROBLEMS WITH CHINA.

3. THE MIRROR AFFAIR (CONF)

IN SEQUEL TO THEIN PE MYINT AFFAIR (WEEKA 42, ITEM 8), MINISTER OF INFORMATION U LWIN NOVEMBER 14 ABRUPTLY FIRED CHIEF EDITOR OF MIRROR NEWSPAPER, U HLA KUN. GROUNDS FOR DISMISSAL WAS THAT MIRROR HAD PRINTED NOVEMBER 14 FULL TEXT OF LAW RECENTLY PASSED BY HLUTTAW (PEOPLE'S ASSEMBLY) DETAILING ALLOWANCES FOR HLUTTAW MEMBERS AND SENIOR GOVERNMENT OFFICIALS. IT WAS THIS LAW WHICH THEIN PE MYINT HAD INDIRECTLY ATTACKED IN HIS ARTICLE, AND PUBLIC CONFIDENTIAL

CONFIDENTIAL

PAGE 03 RANGOO 03320 01 OF 02 200545Z

LICATION IN NEWSPAPERS OF WHICH HAD BEEN PROSCRIBED BY STATE COUNCIL. MIRROR AFFAIR CONTINUES TO UNFOLD AS U HAL KUN REPORTEDLY CLAIMS HE DID NOT AUTHORIZE PUBLICATION OF TEXT OF LAW. OFFICIAL INVESTIGATION OF MIRROR STAFF IS, AS RESULT, UNDER WAY.

COMMENT: U LWIN'S HARSH ACTION IN THIS MATTER SHOULD ENSURE THAT TEPID LOCAL PRESS WILL BECOME EVEN MORE DOCILE.

4. OIL DEVELOPMENTS (CONF)

HEAD OF ESSO EXPLORATION, FRED ACKMAN, AND TWO COMPANY VICE-PRESIDENTS CURRENTLY VISITING BURMA. ACKMAN ALSO PAID COURTESY CALL ON PRESIDENT NE WIN, WHO REPORTEDLY WAS WELL INFORMED ON OIL MATTERS. IN OTHER DEVELOPMENTS, ESSO HAS BEGUN DRILLING ITS FIFTH WELL, IN VERY SHALLOW WATER IN BLOCK M-1. DRILLING HAS REACHED THE 5,000 FOOT LEVEL; DRILLING ON ESSO'S OTHER EXPLORATORY OPERATION IN BLOCK M-12 HAS PASSED 10,700 FEET. NO SIGNIFICANT DISCOVERIES HAVE AS YET BEEN MADE IN EITHER WELL. JAPANESE AODC IS BRINGING IN SECOND RIG FROM SINGAPORE, AND WILL SOON HAVE TWO RIGS WORKING SIMULTANEOUSLY; THE SAME RIG WILL LATER BE USED BY EUROPEAN CONSORTIUM, TOTAL, TO DRILL ITS SECOND WELL.

5. REVISION OF PRICE CONTROLS ON SOME BASIC FOOD ITEMS (UNCLAS)

GUB HAS REVISED WHOLESALE AND RETAIL PRICE CONTROLS FOR SALT, ONION AND CHILI PERMITTING INCREASES THAT WOULD BRING CONTROLLED PRICE OF THESE ITEMS IN LINE WITH CURRENT BLACKMARKET PRICE. THIS ACTION WHICH AMOUNTS TO ALLOWING BLACKMARKET TO SET CONTROLLED PRICE MAY BE INTERPRETED AS TACIT ADMISSION THAT GUB EFFORT

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 RANGOO 03320 02 OF 02 200050Z

12

ACTION EA-09

INFO OCT-01 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 SAM-01 SAJ-01 EB-07 FEA-01 AGR-05

SNM-02 AID-05 /089 W

----- 083999

R 191110Z NOV 75

FM AMEMBASSY RANGOON

TO SECSTATE WASHDC 609

INFO CINCPAC HONOLULU HI

AMCONSUL HONG KONG

AMEMBASSY KUALA LUMPUR

AMEMBASSY BANGKOK BY POUCH

AMCONSUL CHIANG MAI BY POUCH

AMEMBASSY KATHMANDU BY POUCH

AMCONSUL MANDALAY BY POUCH
AMEMBASSY NEW DELHI BY POUCH
USLO PEKING BY POUCH
AMCONSUL UDORN BY POUCH

C O N F I D E N T I A L SECTION 2 OF 2 RANGOON 3320

TO CONTROL PRICE OF THESE ITEMS HAS FAILED. HOWEVER, RETENTION OF PRICE CONTROL SYSTEM AND THIS REGIME'S PAST RECORD OF FAILING TO LEARN FROM ITS ECONOMIC MISTAKES DOES NOT NECESSARILY AUGUR A MORE RATIONAL MARKETING/PRICE POLICY FOR BURMA. CONTROL PRICES FOR COOKING OIL NOT REVISED, BUT WITH NEWLY HARVESTED SESAMUM AND GROUNDNUT CROP ENTERING MARKET, SUPPLY OF COOKING OIL IN RANGOON HAS BECOME MORE PLENTIFUL AND BLACKMARKET PRICE HAS FALLEN SOMEWHAT.,;

6. RICE CROP (UNCLAS)

ALL INDICATIONS POINT TO GOOD PADDY HARVEST FOR 1975-76 CROP YEAR. FIELD TRIPS BY EMBASSY PERSONNEL AND SURVEYS BY IBRD EXPERTS SUPPORT GUB ESTIMATES FOR LARGER YIELD. PRESENT ESTIMATE PLACES
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 RANGOO 03320 02 OF 02 200050Z

PADDY OUTPUT THIS CROP YEAR AT 9 MILLION TONS, ABOUT .5 MILLION TON HIGHER THAN LAST YEAR, AND THAT MAY BE CONSERVATIVE. GUB HOPES TO COLLECT 155 MILLION BASKETS OF PADDY, BUT FAILURE TO RAISE PROCUREMENT PRICE AND ELIMINATION OF SPECIAL PRICE FOR SALES IN EXCESS OF QUOTA MAY HOLD DOWN OFFICIAL COLLECTIONS. AT ANY RATE, IT IS DOUBTFUL, GIVEN SAD STATE OF INFRASTRUCTURE, THAT GUB COULD COPE WITH COLLECTIONS IN EXCESS OF 140 MILLION BASKETS.

7. F-28 FOR UBA (UNCLAS)

ALTHOUGH IT HAS NOT BEEN OFFICALLY ANNOUNCED, EMBASSY UNDERSTANDS UBA HAS ORDERED NEW F-28 WHICH IS TO BE DELIVERED NEXT SPRING. PLANE WILL BE UTILIZED ON SCHEDULED RUN TO SINGAPORE, AND OIL EXPLORATION FIRMS OPERATING IN BURMA ARE EXPECTED TO UNDERWRITE COSTS OF TWO FLIGHTS A WEEK TO SINGAPORE TO FERRY THEIR PERSONNEL TO BURMA. FOKKER APPARENTLY OFFERED VERY FAVORABLE TERMS AND AGREED TO ACCEPT UBA'S TWO AGING VISCOUNTS AS PART OF DOWN PAYMENT. TECHNICAL PERSONNEL BOTH IN UBA AND CIVIL AVIATION AUTHORITY EXPRESSED DISAPPOINTMENT WITH DECISION TO OBTAIN F-28 RATHER THAN DC-9. ACCORDING TO ONE VERSION, PRESIDENT NE WIN HIMSELF MADE FINAL DECISION AS HE HAD BEEN IMPRESSED WITH SUHARTO'S F-28 DURING HIS VISIT TO INDONESIA. ANOTHER SOURCE SAID LOCAL FOKKER REPRESENTATIVE HAD BEEN VERY ACTIVE IN PUSHING SALE AND SEEMED TO HAVE UNLIMITED EXPENSE ACCOUNT WHICH HE COULD USE TO "INFLUENCE" KEY DECISION MAKERS.

8. NARCOTICS: SEIZURES AND ARRESTS (UNCLAS)

POLICE AND SECURITY PERSONNEL IN SHAN STATE TOWNS SEIZED OVER A QUARTER OF MILLION OF KYAT WORTH OF HEROIN AND OPIUM IN FIVE SEPARATE RAIDS RECENTLY. AT OFFICIAL RATE OF EXCHANGE, OVER \$2,130 WORTH OF HEROIN AND APPROXIMATELY \$37,000 WORTH OF OPIUM WAS CONFISCATED AS WELL AS APPROXIMATELY \$2,000 WORTH OF KYAT SAID TO BE PROFITS FROM HEROIN SALES AND OTHER ILLICIT GOODS. EIGHT ARRESTS WERE MADE.
OSBORN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN RELATIONS, AGREEMENTS, PRESS COMMENTS, CHIEF OF STATE VISITS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975RANGOO03320
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750404-0060
From: RANGOON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751128/aaaaayve.tel
Line Count: 233
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUL 2003 by KelleyW0>; APPROVED <10 JUL 2003 by GarlanWA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JOINT WEEKA #44
TAGS: PINT, PFOR, BM, (NE WIN)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006